

DATE^o

6-26-97

DAILY TIME CARD



7#10827

Employee's Name.

Edward

[illegible]

DATE _____

6/26/97

DAILY TIME CARD



OFFICE USE ONLY

TH 10825

Employee's Name.

Sam P. P. K. W.

[illegible]

TOTAL HOURS	5
-------------	---

9 of 50
OFFICE USE ONLY

DATE 6-26-97

DAILY TIME CARD



4410584

Employee's Name MARJ LA CHANCE

CUSTOMER	Job Location	Machine No.	Job Description	Type of Product	Loads yds.	HRS	Office use only
Spencer	Rail Road Dock	GMC				5	(T)
TOTAL HOURS							

DATE 6-26-97

DAILY TIME CARD



OFFICE USE ONLY

10774

Employee's Name L.G. Fleetwood

[illegible]

EXHIBIT 2
Page 53 of 69

TOTAL LIABILITIES



METCO, INC.

DATE: 6/27/97

TO: RANDY

COMPANY: NUGGET CONSTRUCTION

Phone #: _____ Fax #: 907-522-2786

REMARKS: RANDY HERE ARE THE INVOICES TO SPENCER ROCK
THROUGH 6/11/97.

THIS LAST BARGE HAS NOT BEEN BILLED YET.

FROM: BARBARA PAGE 1 OF 20

Phone: 907-224-3151

Fax: 907-224-3514

HCR 64 BOX 300, SEWARD, AK 99664



SHORESIDE PETROLEUM, INC.

CORPORATE OFFICE
P.O. BOX 1189 700 PORT AVENUE
SEWARD, ALASKA 99664-1189
PHONE (907) 224-8040 FAX (907) 224-8047

FAX TRANSMITTAL

DATE: 7/28/97

TO: David
Metco

FAX #: _____

FROM: Doug Lechner
FAX #: (907) 224-3060

OF PAGES INCLUDING THIS PAGE: 1

COMMENTS: Dave,

I spoke to Jack Goodwill and he said he would call your mom with the
address for the Corp. of Engineers in Anchorage to send a letter to. He said to
call Doug Wood @ 384-7442 and let him know whats happening first.

Also, Richard's phone # that he left is (417) 933-2001. Let me know if it
compares with your others.

Thanks!

SIGNED: 
MARATHON FUEL SERVICE

Fax
384-7441

Kodiak Spit 96-C-0020, Homer Spit closure
Ref D AC WSS 96 Act.

TO	DATE	TIME	AM PM
	AREA CODE		
	NO. 384-7442		
	EXT. 384-7442		
FROM	Tent		
OF	Corp of Eng.		
MESSAGE	Fort Richardson Resident Office		
	Box 898		
	Anch 99506-0898 Jack		
	Doug Wood - + Dave Scott		
SIGNED			
PHONED <input type="checkbox"/>	CALL BACK <input type="checkbox"/>	RETURNED CALL <input type="checkbox"/>	WANTS TO SEE YOU <input type="checkbox"/>
WILL CALL AGAIN <input type="checkbox"/>	WAS IN <input type="checkbox"/>	URGENT <input type="checkbox"/>	



METCO, INC.
2701 Seward Highway
HCR 64 Box 300
Seward, Alaska 99664
(907) 224-3151
Fax: (907) 224-3514

July 31, 1997

Corp of Engineers
Fort Richardson Resident Office
P.O. Box 898
Anchorage, AK 99506-0898

Attn: Doug Wood

Dear Mr. Wood:

We are writing in regards to Homer Spit Project DACW85-96-C-0020. Spencer Rock Products, Inc. was contracted to supply Nugget Construction, Inc. with the rock for this project. The rock was shipped by rail to Seward, loaded on barges and shipped to Homer. Metco, Inc. was hired by Spencer Rock to help in Seward with unloading and stacking the rock from the rail and hauling rock to the barges. This work went through May and June amounting to \$31,508.56. To date we have received no payment for this work. We, also, know of other companies in Seward that have furnished supplies and services that have not been paid. Bob LaPore of Spencer Rock claims that he cannot pay these outstanding bills until he is paid from Nugget Construction. He, also, claims not to have been paid. I talked to Randy of Nugget Construction in June and he did admit to not having paid Spencer at that time.

We are, naturally, concerned about the outstanding amount due us, which was in large part labor, and are informing you as Project Manager of this project. We would appreciate any attention that you can give to this matter.

Sincerely,

METCO, INC.

Barbara Dieckgraeff
Secretary Treasurer

BD:ja



REPLY TO
ATTENTION OF:

DEPARTMENT OF THE ARMY
U.S. ARMY ENGINEER DISTRICT, ALASKA
RICHARDSON RESIDENT OFFICE
P.O. BOX 898
ANCHORAGE, ALASKA 99506-0898

August 16, 1997

Quality Assurance Branch - Construction

RRO/33

SUBJECT: Letter from METCO Incorporated, Contract
DACW85-96-C-0020, Homer Spit Repair and Extension, Homer, Alaska

Nugget Construction,
Incorporated
8726 Corbin Drive
Anchorage, Alaska 99507-3411

Attn: Mr. Randolph

Gentlemen:

Attached is a letter we received from METCO, Incorporated, dated July 31, 1997, regarding non-payment for work that they have conducted for the above project. METCO states that they have not been paid for loading rock from the rail cars to the barges in Seward.

To date, the Government has received Pay Estimates for, and paid Nugget Construction \$955,565.41 for armor, toe, and filter rock delivered to Seward and Homer.

METCO's letter claims that Spencer Quarry has not paid them because Spencer Quarry has not received payment from Nugget Construction.

We request that you address METCO's comments in writing prior to submitting your next Pay Estimate.

46 of 50

We remind you that Contract Clause I.55, Payments Under Fixed-Price Construction Contracts, Paragraph c.3 states: "This request for progress payment does not include any amounts which the prime contractor intends to withhold or retain from a subcontractor or supplier in accordance with the terms and conditions of the subcontract."

Please direct any questions to Mr. David Scott at (907) 384-7442.

Sincerely,

 8/5

Walter D. Wood, P.E.
Administrative Contracting
Officer

REPLY TO
ATTENTION OF:

DEPARTMENT OF THE ARMY
U.S. ARMY ENGINEER DISTRICT, ALASKA
RICHARDSON RESIDENT OFFICE
P.O. BOX 898
ANCHORAGE, ALASKA 99506-0898

August 22, 1997

Quality Assurance Branch - Construction

SUBJECT: Letter from Metco, Incorporated, Contract
DACW85-96-C-0020, Homer Spit Repair and Extension, Homer, Alaska

Metco, Incorporated
HCR 64 Box 300
Seward, Alaska 99664-9701

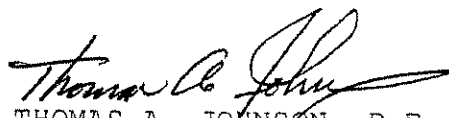
Gentlemen:

Receipt is acknowledged of your letter dated July 31, 1997
regarding the Homer Spit project.

Your letter has been forwarded to Nugget Construction,
Incorporated. We have requested Nugget Construction to address
your comments in writing prior to submitting their next pay
estimate.

Attached is our letter to Nugget Construction. Please direct
any questions to the Project Engineer, Mr. David Scott, at (907)
384-7442.

Sincerely,


THOMAS A. JOHNSON, P.E.
Resident Engineer

CC: Nugget Construction, Incorporated

Attachment

SPENCER ROCK PRODUCTS, INC.

1301 Dowling Road #109

Rock Sand Gravel
Drilling & Blasting

To: Suppliers of the Homer Spit Project

September 5, 1997

Gentlemen,

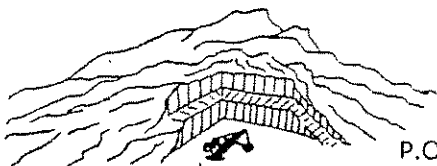
Spencer Rock Products has been placed in an awkward position as to our payables on the Homer Spit Project. We have not been paid for our delivery of materials although the materials are on the job site.

We appreciate our creditors and have maintained a good record with all of you over the past years. We would appreciate your forbearance and understanding of our problem.

We have filed a claim on the bond and are endeavoring to pursue it vigorously to enable us to fund payables as quickly as possible. A copy of notice of lien is attached for your use.

Again, we are sorry for the delay and hope it will be a short one for all. We will forward payment as quickly as we get funds in. Please do not hesitate to call if you have specific questions or helpful information.

Sincerely,

*Robert A. LaPore*Robert A. LaPore
President
Spencer Rock Products, Inc.

SPENCER ROCK PRODUCTS

PO Box 244063, Anchorage, AK 99524

Via Certified Mail
(return receipt requested)

September 5, 1997

Nugget Construction, Incorporated
8726 Corbin Drive
Anchorage, Alaska 99507-3411

Atten: John Terwilliger, President

Ref.: DACW85-96-C-0020, Homer Spit Repair and Extension
Homer, Alaska
U.S. Fidelity & Guaranty Co. Payment Bond # 99012050298965

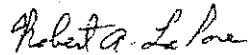
Sir,

This is written notice to you of Spencer Rock, Inc.'s claim of \$1,426,707.84 unpaid sum, pursuant to 40 USC s 270b (Federal Miller Act). The attached invoice states with substantial accuracy the amount claimed which is the total of the last delivery of materials and prior unpaid invoices.

If payment in full is not forthcoming within 15 days of the date of this notice, Spencer Rock Products, Inc. will exercise its full right to bring suit upon the unpaid sum against the responsible parties, including individuals, and the above referenced payment bond.

Your prompt attention to this matter is paramount.

Very Truly Yours,



Robert A. LaPore,
President, Spencer Rock Products, Inc.

CC: U.S. Fidelity & Guaranty Co.
4220 B Street
Anchorage, Alaska 99503

CC: Dept. of the Army, U.S. Army Engineer District, Alaska
Ft. Richardson Resident Office
PO Box 898
Anchorage, Alaska 99506-0898
Atten: Thomas A. Johnson, P.E.
Administrative Contracting Officer

CC: All Spencer Rock Suppliers for the above project

**METCO, INC.**

HCR 64 BOX 300
SEWARD, ALASKA 99664
Ph. (907) 224-3151

STATEMENT

DATE
12/31/97
ACCOUNT NUMBER
SPENCR

SPENCER ROCK PRODUCTS INC.

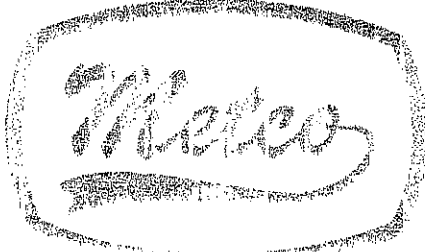
P. O. BOX 244063
ANCHORAGE, AK

99524

\$ _____
AMOUNT ENCLOSED

PLEASE DETACH AND RETURN THIS PORTION WITH YOUR PAYMENT.

PAGE 2

REFERENCE	DATE	CODE	DESCRIPTION	AMOUNT	BALANCE
019447	06/30/97	C	OVERTIME CR	-371.00	
019634	07/31/97	F	Finance Charge	183.02	183.02
019806	08/31/97	F	Finance Charge	270.87	270.87
019937	09/30/97	F	Finance Charge	271.92	271.92
020074	10/31/97	F	Finance Charge	280.99	280.99
020227	11/30/97	F	Finance Charge	271.92	271.92
020953	12/31/97	F	Finance Charge	280.99	280.99
					
EXHIBIT 2 Page 64 of 69					
YOUR ACCOUNT IS OVERDUE					

CODES: C = CR MEMO P = PAYMENT A = DISCOUNT ALLOWED F = FINANCE CHARGE
D = DR MEMO I = INVOICE

TOTAL DUE ▶ 33068.27

CURRENT	1 TO 30	31 TO 60	61 TO 90	OVER 90
280.99	0.00	271.92	280.99	32234.37

**METCO, INC.**

HCR 64 BOX 300
SEWARD, ALASKA 99664
Ph. (907) 224-3151

STATEMENT

DATE
12/31/97
ACCOUNT NUMBER
SPENCR

SPENCER ROCK PRODUCTS INC.

P. O. BOX 244063
ANCHORAGE, AK

99524

\$ _____
AMOUNT ENCLOSED

PLEASE DETACH AND RETURN THIS PORTION WITH YOUR PAYMENT.

PAGE 1

REFERENCE	DATE	CODE	DESCRIPTION	AMOUNT	BALANCE
019075	05/03/97	I	LOADER/DUMP TRK	1751.50	1674.50
019447	06/30/97	C	OVERTIME CR	-77.00	
019079	05/04/97	I	LOADR/TRK/SHOP	3860.75	3419.75
019447	06/30/97	C	OVERTIME CR	-441.00	
019098	05/09/97	I	EQUIP MAINT	445.90	445.90
019110	05/13/97	I	MNT,LDR,TRK ETC	2259.00	2126.00
019447	06/30/97	C	OVERTIME CR	-133.00	
019113	05/14/97	I	TRUCK,OPER	2064.00	1931.00
019447	06/30/97	C	OVERTIME CR	-133.00	
019118	05/15/97	I	LDR,TRK,ETC	2981.50	2841.50
019447	06/30/97	C	OVERTIME CR	-140.00	
019126	05/16/97	I	966 LOADER	774.50	739.50
019447	06/30/97	C	OVERTIME CR	-35.00	
019136	05/17/97	I	LOADER	1022.75	935.25
019447	06/30/97	C	OVERTIME CR	-87.50	
019152	05/20/97	I	OPER/DP TRK	1256.00	1158.00
019447	06/30/97	C	OVERTIME CR	-98.00	
019161	05/21/97	I	DP TRK,ETC	1738.00	1710.00
019447	06/30/97	C	OVERTIME CR	-28.00	
019163	05/22/97	I	DP TRK,ETC	1669.91	1641.91
019447	06/30/97	C	OVERTIME CR	-28.00	
019192	05/29/97	I	FIX TIRES	90.00	90.00
019268	06/07/97	I	MOVE 400 EXCV.	210.00	210.00
019282	06/09/97	I	LOADING BARGE	1215.00	1215.00
019292	06/10/97	I	LOAD BARGE	2848.00	2600.00
019314	06/10/97	C	CR/PRICE ERR	-136.00	
019447	06/30/97	C	OVERTIME CR	-112.00	
019295	06/11/97	I	HAUL TO BARGE	1233.75	1233.75
019388	06/25/97	I	HAUL TO BARGE	2685.50	2510.50
019447	06/30/97	C	OVERTIME CR	-175.00	
019400	06/26/97	I	HAUL TO BARGE	5397.00	5026.00

EXHIBIT 2

Page 65 of 69

CODES: C = CR MEMO P = PAYMENT A = DISCOUNT ALLOWED F = FINANCE CHARGE
D = DR MEMO I = INVOICE

TOTAL DUE ▶ CONTINUED



METCO, INC.
HCR 64 BOX 300
SEWARD, ALASKA 99664
Ph. (907) 224-3151

Credit Memo

INVOICE DATE 06/30/97
INVOICE NO. 019447
CUSTOMER NO. SPENCER

BILL TO
SPENCER ROCK PRODUCTS INC.
P. O. BOX 244063
ANCHORAGE, AK 99524

LOCATION
SPENCER ROCK PRODUCTS INC.
P. O. BOX 244063
ANCHORAGE, AK 99524

PAGE 1

CUSTOMER P.O. NO. OVERTIME CR TERMS 0/0 NET 10-CITY REFERENCE NO. CH00001

ITEM ID NO.	DESCRIPTION	UNIT	UNIT PRICE	EXTENDED AMOUNT
INV#19075	CHANGE OVERTIME TO STRAIGHT TI ME FOR 966 LOADER	0.00	0.00	0.000
INV#19075	CHANGE OVERTIME TO STRAIGHT TI ME FOR GMC DUMP TRK	0.00	0.00	0.000
INV#19079	CHANGE OVERTIME TO STRAIGHT TI ME FOR 966 LOADER	0.00	0.00	0.000
INV#19079	CHANGE OVERTIME TO STRAIGHT TI ME/GMC DUMP TRUCK	0.00	0.00	0.000
INV#19110	CHANGE OVERTIME TO STRAIGHT TI ME/GMC DUMP TRUCK	0.00	0.00	0.000
INV#19110	CHANGE OVERTIME TO STRAIGHT TI ME/L120 LOADER	0.00	0.00	0.000
INV#19110	CHANGE OVERTIME TO STRAIGHT TI ME/966 LOADER	0.00	0.00	0.000

X TOTAL CONTINUED



METCO, INC.
HCR 64 BOX 300
SEWARD, ALASKA 99664
Ph (907) 224-3151

Credit Memo

INVOICE DATE 06/30/97
INVOICE NO. 019447
CUSTOMER NO. SPENCER

EXHIBIT 2
Page 67 of 69

BILL TO
SPENCER ROCK PRODUCTS INC.

P. O. BOX 244063
ANCHORAGE, AK 99524

LOCATION
SPENCER ROCK PRODUCTS INC.
P. O. BOX 244063
ANCHORAGE, AK 99524

CUSTOMER P.O. NO.

0/0 NET 10-CITY

TERMS

PAGE 2

REFERENCE NO.
CM0001

ITEM ID NO.	DESCRIPTION	UNIT	UNIT PRICE	EXTENDED AMOUNT
CR INV#19113	CHANGE OVERTIME TO STRAIGHT TI ME/GMC DUMP TRK	0.00	0.00	0.000
CR INV#19118	CHANGE OVERTIME TO STRAIGHT TI ME/GMC DUMP TRUCK	0.00	0.00	0.000
CR INV#19118	CHANGE OVERTIME TO STRAIGHT TI ME/966 LOADER	0.00	0.00	0.000
CR INV#19126	CHANGE OVERTIME TO STRAIGHT TI ME/966 LOADER	0.00	0.00	0.000
CR INV#19136	CHANGE OVERTIME TO STRAIGHT TI ME/966 LOADER	0.00	0.00	0.000
CR INV#19152	CHANGE OVERTIME TO STRAIGHT TI ME/GMC DUMP TRUCK	0.00	0.00	0.000
CR INV#19161	CHANGE OVERTIME TO STRAIGHT TI ME/GMC DUMP TRK	0.00	0.00	0.000
				28.00

DRIVERS WILL MAKE EVERY EFFORT TO PLACE MATERIALS WHEN AND WHERE
CUSTOMER DESIGNATES, BUT COMPANY ASSUMES NO RESPONSIBILITY FOR
DAMAGE INSIDE PROPERTY LINE OR FOR UNAVOIDABLE DELAY.

X

TOTAL

CONTINUED



METCO, INC.
HCR 64 BOX 300
SEWARD, ALASKA 99664
Ph. (907) 224-3151

Credit Memo

INVOICE DATE 06/30/97
INVOICE NO. 019447
CUSTOMER NO. SPENCR

BILL TO
SPENCER ROCK PRODUCTS INC.
O. BOX 244063
ANCHORAGE, AK 99524

LOCATION
SPENCER ROCK PRODUCTS INC.
P. O. BOX 244063
ANCHORAGE, AK 99524

CUSTOMER P.O. NO. OVERTIME CR
TERMS 0/0 NET 10-CITY
REFERENCE NO. CM0001

PAGE 3

ITEM ID NO.	DESCRIPTION	UNIT	UNIT PRICE	EXTENDED AMOUNT
INV#19163	CHANGE OVERTIME TO STRAIGHT TI ME/GMC DUMP TRK	0.00	0.00	0.000
INV#19292	CHANGE OVERTIME TO STRAIGHT TI ME/GMC DUMP TRK	0.00	0.00	0.000
INV#19292	CHANGE OVERTIME TO STRAIGHT TI ME/PETE DP TRK	0.00	0.00	0.000
INV#19388	CHANGE OVERTIME TO STRAIGHT TI ME/GMC DUMP TRK	0.00	0.00	0.000
INV#19388	CHANGE OVERTIME TO STRAIGHT TI ME/PETE DP TRK	0.00	0.00	0.000
INV#19400	CHANGE OVERTIME TO STRAIGHT TI ME/GMC DUMP TRK	0.00	0.00	0.000
INV#19400	CHANGE OVERTIME TO STRAIGHT TI ME/PETE DP TRK	0.00	0.00	0.000

DRIVERS WILL MAKE EVERY EFFORT TO PLACE MATERIALS WHEN AND WHERE
CUSTOMER DESIGNATES, BUT COMPANY ASSUMES NO RESPONSIBILITY FOR
DAMAGE INSIDE PROPERTY LINE OR FOR UNAVOIDABLE DELAY

X TOTAL CONTINUED



METCO, INC.
HCR 64 BOX 300
SEWARD, ALASKA 99664
Ph. (907) 224-3151

Credit Memo

INVOICE DATE 06/30/97
INVOICE NO. 015447
CUSTOMER NO. SPENCER

EXHIBIT 2
Page 69 of 69

BILL TO
SPENCER ROCK PRODUCTS INC.

P. O. BOX 244063
ANCHORAGE, AK 99524

LOCATION
SPENCER ROCK PRODUCTS INC.

P. O. BOX 244063
ANCHORAGE, AK 99524

CUSTOMER P.O. NO.
OVERTIME CR

TERMS
0/0 NET 10-CITY

REFERENCE NO.
CM0001

PAGE
4

ITEM ID NO.	DESCRIPTION	UNIT	UNIT PRICE	EXTENDED AMOUNT
CR INV#19400	CHANGE OVERTIME TO STRAIGHT TI	0.00	0.00	0.00
	ME/966 LOADER	0.00	0.000	105.00

Sales Total 1858.50
Tax Total 0.00

X

TOTAL

1858.50

DRIVERS WILL MAKE EVERY EFFORT TO PLACE MATERIALS WHEN AND WHERE
CUSTOMER DESIGNATES, BUT COMPANY ASSUMES NO RESPONSIBILITY FOR
DAMAGE INSIDE PROPERTY LINE OR FOR UNAVOIDABLE DELAY.